

STEERING, LEGISLATIVE & GOVERNMENTAL COMMITTEE

January 4, 2010

5:30 p.m.

Courthouse

MINUTES:

MEMBERS PRESENT:

Commissioner Jack Black
Commissioner Adam Coggin
Commissioner Gary Farley
Commissioner Jeff Jordan
Commissioner Jeff Phillips
Commissioner Steve Sandlin
Commissioner John Rodgers, C

OTHERS PRESENT:

Ernest Burgess	Lisa Nolen
Donna Rowland	Bill Ketron
Jim Tracy	Kent Coleman
Joe Carr	Pat Marsh
Joe F. Jernigan	Joyce Ealy
Rick Hall	Mike Sparks
Ronald Williams	Jim Daniel
Leslie Smith, Jr.	Wayne Blair
Sonya Stephenson	Susan Allen
Steve Schroder	Becky Shelton

Chairman Rodgers presided and called the meeting to order at 5:30 p.m. with all members being present at that time.

MINUTES:

"Commissioner Coggin moved, seconded by Commissioner Farley, to approve the minutes of the last meeting as mailed. This motion passed unanimously by acclamation."

ANNUAL MEETING WITH LEGISLATORS:

Chairman Rodgers introduced the Rutherford County legislative delegation as well as County Commissioners and County officials in attendance. The legislators advised what they foresaw for 2010.

Senator Ketron advised revenues are historically down and it will be a tight budget with dire cuts including possible furlough of employees.

Representative Rowland reminded the Committee of issues discussed last year including the Rutherford County Wheel Tax officer not being able to write citations on State roads. This has now been addressed and the Wheel Tax Officer can give citations on State roads effective May, 2009. Also addressed last year was the issue of purchasing car tags out of county and not purchasing wheel tax stickers. There is legislation pending that would allow the County Clerk to demand payment of the wheel tax. Ms. Rowland advised there will be a special session to consider the Federal program Race to the Top and whatever is implemented if the Federal dollars do not fund the same it may end up costing State and local monies.

Commissioner Farley reminded the legislators of legislation that exempted Nissan lease vehicles from purchasing the wheel tax and inquired if anything could be done to change this as it cost Rutherford County approximately \$400,000 and was intended to be an incentive to get Volkswagen to build in Chattanooga but affected Rutherford County. Ms. Rowland advised she did hope to readdress this issue.

Senator Tracy reiterated the budget and revenue issues.

Representative Marsh being newly elected advised he hoped to take business concepts to Nashville.

Representative Coleman reiterated the budget and revenue issues advising the worker's compensation bill will also be addressed.

Mr. Coleman advised he anticipated more use of locking devices on multiple DUI offenders. He also anticipated readdressing the issue of guns in bars this year. Mr. Coleman also advised Tennessee does not have the revenue at this time to enhance criminal penalties so offenders of lesser crimes may be released earlier to allow for longer sentences for more violent crimes.

Representative Joe Carr advised subcontractors felt the timing of the worker's compensation law that went into effect 12/31/09 was unfair and the Governor was considering suspension of the bill in the special called session to have time to tweak the bill. The second issue in the special called session will be the Race to the Top matter which emphasizes the sciences. Commissioner Sandlin advised he has concerns on Race to the Top and what all is involved and the costs. Representative Carr advised to receive Federal grants more administrative tasks are being required of teachers allowing for less time in the classroom. Senator Ketron suggested googling the Race to the Top document for everyone to read and then share their input and questions. Counties are not required to participate in the program but that is a decision for the School Board.

Commissioner Farley inquired if reimbursement money is on the table as to State inmates held at the County jail. Senator Tracy advised he did not see this amount dropping below where it is now because the State already is under the actual cost of housing the prisoners. Representative Coleman advised as tough as times are they cannot make promises on anything not being cut.

Commissioner Farley requested that all legislation be reviewed with an eye to how it will affect local governments.

Commissioner Coggin advised the Rutherford County delegation is well spoken of at the Legislature.

Commissioner Phillips advised the Rutherford County delegation has been responsive to the Commission but it would be devastating to the County taxpayers if the BEP monies were cut. Commissioner Phillips cautioned to proceed with care on the Voter Confidence Bill because this could affect County governments with a requirement to purchase paper ballot voting machines by the 2010 elections which could be an unfunded mandate. Commissioner Phillips also requested the legislators look at the Bottle Bill carefully.

Commissioner Black advised he appreciated the work of the delegation on behalf of the County.

Commissioner J. Jordan advised past legislators and the governors have put education high but he was worried about the Race to the Top because it is being considered under such a short time frame. The teacher evaluations worry him when it is tied to something the teachers cannot control and he requested deliberate thought and caution on this. Representative Carr advised student accountability is a concern of teachers.

Commissioner J. Jordan next advised sales tax on internet sales is a revenue source. Senator Ketron advised this is controlled by the FCC so is out of the State's control but he thought all states would step up to approve this tax.

Chairman Rodgers advised last month the County sent a Private Act to the Legislature regarding the County Attorney and requested any thoughts. Senator Ketron advised it would be carried forward and usually goes straight to the floor and he did not see an issue with this.

Commissioner Black inquired how much stimulus money was directed to Rutherford County. Senator Tracy advised Jefferson Pike

would be reworked in three phases.

Mayor Burgess thanked everyone for their hard work and re-emphasized that stimulus money is for one time projects and not to pass Race to the Top if it has reoccurring costs that the County cannot afford as the County is in no position to fund new money.

Commissioner Williams inquired as to insight as to the Bottle Bill. Representative Coleman advised there had been a lot of resistance in the past and none of the legislators seemed to be familiar with the bill. Commissioner Coggin provided the bill number and sponsors.

Commissioner Sparks advised he had concerns over Jefferson Pike with 1,300 new jobs at Nissan and the continuing increase in tuition for higher education. Commissioner Sparks further sees a need for senior housing. Representative Rowland suggested a partnership between the Rutherford County Board of Education and Motlow. Wayne Blair of the Board of Education advised Motlow is currently using the LaVergne High School in the evenings.

Commissioner Jim Daniel encouraged passage of the Bottle Bill and to keep a close eye on letting prisoners out early so inappropriate ones do not slip through the system.

Wayne Blair representing the Board of Education encouraged the legislators to maintain the BEP funds and advised the Board of Education signed the Race to the Top memorandum to get the funding because the system may have to meet the criteria even if they don't share in the funding.

FILL TWO VACANCIES ON PUBLIC BUILDING AUTHORITY:

Chairman Rodgers next advised applications had been received from Dow Smith and Leslie Smith, Jr. for appointment to the Public Building Authority. Leslie Smith, Jr. addressed the Committee. Following discussion,

"Commissioner Phillips moved, seconded by Commissioner Black, to elect by acclamation Dow Smith and Leslie Smith, Jr. to the Public Building Authority. This motion passed unanimously by acclamation.

COUNTY ATTORNEY LEGAL SERVICES AGREEMENT:

Chairman Rodgers reminded the Committee the Legal Services Agreement was approved in September but rescinded in order to have in place the Private Act when approved by the Legislature.

Mayor Burgess reviewed the proposed agreement having previously provided a copy to the Committee and advised the agreement should be approved in proximity to adopting the new Private Act. Mayor Burgess advised the person acting as County Attorney will be treated like any other employee. Additionally, in the agreement the Mayor has tried to differentiate between the initial two year appointment and the subsequent appointment. While this is a four year agreement, the first two years is as County Attorney and the next two years has the option to renew for basic services or litigation services. The agreement places the final authority for outside counsel with the Commission. The agreement provides clarification on professional liability insurance but advised the position is entitled to be represented or defended by the County the same as other elected or appointment officials of employees. The law firm malpractice insurance covers deliberate errors and the County would not be providing a defense in the second term of the agreement. The County would provide a defense to an in-house counsel as well. Mayor Burgess encouraged the Committee to read the agreement carefully. Mayor

Burgess reminded the Committee this is only for a two year period because he anticipated having in-house counsel in two years.

Commissioner J. Jordan questioned the word "consent" of the County Attorney in choosing outside counsel. Mayor Burgess advised he was comfortable with this wording. Commissioner Williams advised he felt "consent" could cause problems if the Law Firm did not consent. Commissioner J. Jordan advised he liked the fact the Mayor was the one making the recommendation. Mayor Burgess advised he would want a recommendation even if it were from in-house counsel. Mayor Burgess advised the intent of the agreement is to have in-house counsel two years after the initial term of the Legal Services Agreement.

Chairman Rodgers advised he questioned Section I, Term, and the wording "and any successive four (4) year term thereafter" and whether this should be deleted. Mayor Burgess advised the agreement has greater flexibility but anything could be handled under a separate agreement.

Chairman Rodgers also advised he thought in Section II. Paragraph A. it should read "duties" and not "budget". Chairman Rodgers advised he also questioned the word "consent" by Law Firm or County Attorney as to outside counsel.

Chairman Rodgers also questioned if a suit were filed in late June and the Commission did not meet timely whether the Mayor should have authority to appoint outside counsel and then get Commission approval to avoid any question about statutes and time requirements. Mayor Burgess advised that language was originally in the agreement but it was changed as it appeared the Commission wanted the authority. The contract is only for two year and the Mayor advised he was willing to work through the process.

Mayor Burgess advised the first year of the extended term of the agreement that litigation goes to Law Firm and in the second year any litigation could go to in-house counsel if it is in place.

Mayor Burgess encouraged specific feedback by the next meeting to get the document in final form.

Commissioner Williams advised he wanted to see a cost analysis or comparison on where the cost savings are with this agreement and why it is better than the current appointment. Mayor Burgess has this information and can provide the same.

Mayor Burgess advised the agreement defines what the attorney is to do or should do and will help with any current misconceptions.

Chairman Rodgers invited the Rutherford Neighborhood Alliance to provide any input as to specific language suggestions. Mayor Burgess advised he would like any suggested changes in advance of the next meeting.

"Commissioner J. Jordan moved, seconded by Commissioner Farley, to remove the word "consent" as to the County Attorney and outside counsel in all places listed including Sections II.C, III and V.H. This motion passed unanimously by acclamation."

To paraphrase the agreement, Commissioner Phillips advised the agreement covers the next two years with the current attorney and sets the foundation for in-house counsel providing a transition period during the next two years. Mayor Burgess agreed with this analysis.

Mayor Burgess advised no Commissioner has provided any specific suggestion since September as to the agreement and his door is always open for suggestions.

Commissioner Phillips requested an announcement be made at the Commission meeting that ethics disclosure statements are due with the Tennessee Ethics Commission.

There appearing to be no further business to come before the Committee, Chairman Rodgers declared the meeting adjourned at 8:10 p.m.

JOHN RODGERS, Chairman